



New Communities and Opportunities: Perspectives on Emerging Latino Populations

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Over the past 15 years, Hispanics have become the fastest growing minority group in the nation. Between 1990 and 2000, the number of Hispanics in the United States grew from 22.4 million to 37.4 million, an increase of 67 percent. While the majority of Latinos continue to live in major metropolitan areas, many Hispanics have moved from large cities into suburbs, rural areas, and new regions of the country. These demographic changes have occurred rapidly and in places that had never before seen influxes of Latinos.

The emerging Hispanic presence in these communities is re-defining the economic, cultural, and social landscape of America. As new opportunities are created, new challenges arise. By convening the Sixth Annual Hispanic Leadership Summit, “New Communities and Opportunities: Perspectives on Emerging Latino Populations,” Congressional Democrats hope to explore these opportunities and challenges and have a meaningful dialogue with participants about potential policy solutions that will mean an improved quality of life for all Americans. Among the issues to be discussed at the Summit will be:

- ✓ Urban Communities: obstacles to homeownership and community redevelopment;
- ✓ New Hispanic Communities in Rural America: equitable access and fair treatment;
- ✓ Upward Mobility: increasing Hispanic representation in higher education and Corporate America;
- ✓ Media and Entertainment Industry: examining the image of Hispanics in the mainstream media and the emergence of Hispanic media;
- ✓ Political Empowerment: increasing Hispanic representation and participation in the political process; and
- ✓ Military and Veterans: the lack of Hispanic officers and barriers to accessing health care.

Urban Communities: Obstacles to Homeownership and Community Redevelopment

Overcoming the obstacles to homeownership. Despite their hard work and efforts to save, only 48 percent of Hispanics are homeowners, compared with 69 percent of all Americans. Coupled with current market conditions, including the lowest housing affordability rate in the United States since 1991, Hispanic families in urban communities continue to face obstacles to homeownership. Congressional Democrats are committed to opening the door to home ownership for more Hispanics by helping them overcome these obstacles. (National Association of Realtors, “Housing Affordability,” June 2005; Census, “Housing Vacancies and Homeownership, Annual Statistics: 2004,” February 17, 2005)

Challenges to homeownership for Hispanics include:

- **Financial Literacy.** Potential Hispanic homeowners have been found to be, on average, less familiar and less trusting of traditional banking institutions and services. (FDIC, “Bridging the Information Gap: How Bankers Can Help the Hispanic Population Realize the American Dream of Homeownership,” March 22, 2005)
- **Traditional Credit Histories and Language Barriers.** Twenty million Hispanics, or roughly half of the 40 million Hispanics living in the United States today, do not have a bank account. Reasons for this include, but are not limited to, language barriers and not having the necessary documentation. Many of the nearly 20 million “unbanked” Hispanics who live in communities with few or no traditional banking institutions must utilize fringe banking services (such as a check cashing outlets or pawn shops) that have proven more costly to consumers than traditional banking services and reduce their ability to qualify for mortgages. (FDIC, “FDIC Launches Hispanic Media Campaign Promoting Financial Education throughout U.S.,” June 9, 2005; Consumer Interests Annual, “Bringing the Unbanked into the Financial Services Market,” 2003)
- **Income and Saving.** Hispanic median household income is 30 percent lower than the median household income for whites. An estimated 94 percent of Hispanics live in high-cost urban areas, compared with 75 percent of non-Hispanic whites. Lower levels of income make it difficult for many Hispanics to save for a down payment, manage long-term debt, and put away money for the future. While the median Hispanic household income in 2004 was \$34,241, the median cost to buy a home was \$185,200. This means that a traditional 20 percent down payment on the home would be roughly \$37,040, which is more than the annual Hispanic median income. (Census Bureau, “Income, Poverty, and Health Insurance Coverage in the United States: 2004,” August 2005; Pew Hispanic Center, “The Wealth of Hispanic Households,” October 18, 2004; National Association of Realtors, 2005)
- **Predatory Lending.** Because many Hispanics are less familiar with traditional banking institutions and their eligibility to obtain a prime mortgage, many fall victim to subprime mortgages, which are often connected to predatory lending schemes. According to Irvin Henderson, Chair of the National Community Reinvestment Coalition, Hispanics are three times more likely to be victims of a predatory loan than non-Hispanic whites, which makes it more difficult for Hispanics to build good credit and own a home. (*FinalCall*, “CBC Hold ‘Predatory Lending’ Hearings,” July 21, 2005)

Investing in community development in minority communities. Nearly three decades ago, the *Community Reinvestment Act* (CRA), was enacted to encourage banks to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods. The overall objective of CRA — and other economic development initiatives — is to help under-served groups accumulate assets and improve their well-being. The

passage of CRA spurred financial institutions and community leaders to establish Community Development Corporations (CDCs), which help to provide affordable housing and make “micro-loans” to local businesses.

The Urban League recently released a study showing that in areas where CDCs invested in affordable housing and commercial properties, property values were as much as 69 percent higher than they would have been without CDC investment. Democrats will continue to work to strengthen CRA and CDCs to ensure these successes continue to serve even more low- and moderate-income Americans. (Urban League, “Impact of Community Development Corporations on Urban Neighborhoods,” July 2005; The Federal Reserve Board, Remarks by Chairman Greenspan at the 2005 Community Reinvestment Coalition Conference, March 18, 2005)

Broadening opportunities for small business owners. Hispanic small businesses owners contribute to the economic vitality of communities across the country. The number of self-employed Hispanics quadrupled from 1979 to 2003 (from 3 percent to 8.5 percent of total self-employed population). Unfortunately, a study published in 2004 by the National Bureau of Economic Research found that “capital constraints appear to bind especially tightly in the US for firms owned by minorities and women: the low rates of self-employment of blacks and Hispanics in the US appears in part to be driven by liquidity constraints.” (Small Business Administration (SBA), “Self-Employed Business Ownership Rules in the United States: 1979–2003,” December 2004; NBER, “Self-employment: More May Not Be Better,” working paper, February 2004)

Democrats are committed to supporting emerging and established small business owners. In March, Senate Democrats worked in a bipartisan manner with Republicans to restore most of the proposed budget cuts in the President’s Fiscal Year 2006 Budget for the Small Business Administration. Democrats also supported the passage of an amendment to the Budget Resolution to restore funding to programs that are important to emerging Hispanic entrepreneurs, such as the micro-loan program and Small Business Development Centers. Despite these efforts, in late April, the Republican Congress passed the Fiscal Year 2006 Budget after eliminating the bipartisan amendment to restore funding to the SBA. (Democratic staff, Senate Committee on Small Business and Entrepreneurship, “Republican Budget Cuts Small Business Funds,” April 29, 2005)

New Hispanic Communities in Rural America: Equitable Access and Fair Treatment

Creating equitable access to community programs and services. According to the Department of Agriculture, “Since 1980, the nonmetro Hispanic population in the United States has doubled and is now the most rapidly growing demographic group in rural and small-town America.” Accessing public services — from health care and education to transportation and financial resources — can be more difficult in rural areas than in urban areas. Access to these services can be even more difficult for Hispanic Americans because of language and cultural barriers. (Department of Agriculture, Economic Research Service, “New Patterns of Hispanic Settlement in Rural America,” May 2004)

Because neighborhoods in rural America are more spread out than in urban areas, a special effort must be made to bridge the gap between newly-arrived communities and established populations. While Hispanic Americans have moved into many different communities across the United States in the 1990s, they often live in segregated neighborhoods within those communities. In fact, the largest increases in residential segregation occurred in rural counties with high Hispanic population growth. Democrats support efforts to help emerging Hispanic communities in rural America gain access to programs that can improve their well-being and promote greater integration into their new communities. (Department of Agriculture, Economic Research Service, “New Patterns of Hispanic Settlement in Rural America,” May 2004)

Ensuring fair and just treatment of Hispanic immigrants in the workplace. Attaining fair and just treatment of Hispanic immigrants in the workplace starts with confronting some serious challenges, including reducing immigration backlogs, addressing migration flows, granting temporary work visas to foreign workers (not already residing in the United States), and finding the best way to offer legal status and a path toward citizenship for workers. Democrats are committed to improving the treatment of Hispanic immigrants by promoting safe and equitable work environments that afford competitive wages, health care coverage, and family and medical leave.

Upward Mobility: Increasing Hispanic Representation in Higher Education and Corporate America

Increasing Hispanic representation in higher education. The percentage of Hispanic students enrolling in colleges and graduate schools continues to lag behind other minority groups. In 2003, 68 percent of college students were non-Hispanic white and 13 percent were black, but only 10 percent were Hispanic. In 2003, 10 percent of Hispanic students enrolled in higher education institutions were attending graduate school compared with 35 percent of Asian students, 21 percent of non-Hispanic white students, and 16 percent of black students. (Census Bureau, “School Enrollment — Social and Economic Characteristics of Students: October 2003,” May 2005)

In 2004, 12.1 percent of Hispanics age 25 and over held a bachelor’s degree or higher compared with 49.4 percent of Asians, 30.6 percent of non-Hispanic whites, and 17.6 percent of African Americans in the same age group. (Census Bureau, “Educational Attainment in the United States: 2004,” March 2005)

Hispanic students face the following challenges in their pursuit of higher education: inequitable education resources at the primary level; lack of awareness and access to financial tuition assistance; and difficulty obtaining legal status for foreign-born students. Democrats want to improve higher education opportunities available to Hispanic students by removing these barriers. While the Bush Administration has proposed eliminating the TRIO and GEAR UP programs that help many minority students prepare for college, for example, Democrats want to strengthen these programs. Democrats are also committed to reversing Administration policies that will cut Pell Grants for 1.3 million students and eliminate eligibility altogether for another 90,000 students. (*Boston Globe*, “Many Students to Lose School Aid,” June 12, 2005)

Advancing Hispanic representation in senior-level Corporate America. According to the Census Bureau, Hispanics hold less than six percent of all management positions while non-Hispanic whites hold more than 84 percent of these positions. Only three percent of all chief executive officers (CEOs) are Hispanic, compared with 90 percent who are non-Hispanic White. Senior-level Hispanic managers are also underrepresented in several sectors, including general and operations managers (7.6 percent); marketing and sales managers (5.6 percent); computer and information managers (3.8 percent); and financial managers (6.1 percent). (Census Bureau, *Statistical Abstract of the United States: 2004–2005*, “Labor Force, Employment, and Earnings: 2003,” July 28, 2005)

And despite increases over the past decade, Hispanics still make up less than two percent of all corporate board seats in FORTUNE 1,000 companies. As of 2004, 148 Hispanics held 202 seats on 166 corporate boards (or 1.97 percent of the total 10,314 seats). (Hispanic Association on Corporate Responsibility, “Corporate Governance 2003–2004: Overview and Analysis,” February 24, 2005)

Congressional Democrats know that the best ways to address the gap in Latino corporate representation is by ensuring that all Hispanic students are prepared to succeed in the workplace and by vigorously enforcing federal laws that protect employees. Congressional Democrats are committed to supporting programs that help Latinos receive the quality education and training that will prepare them to be the next generation of America’s business leaders.

Media and Entertainment Industry: Examining the Image of Hispanics in the Mainstream Media and the Emergence of Hispanic Media

Understanding how Hispanics are portrayed in the mainstream media. While Hispanics make up 14 percent of the population in the United States, less than one percent of major mainstream news media stories are about Hispanics. In addition to a lack of air time and coverage, an annual study on Hispanics and news media revealed that news stories about Latinos concentrated primarily on immigration and crime. In depth coverage of news stories about Hispanics was also lacking: of the 131 stories aired in 2003, 24 percent were less than 30 seconds long, 43 percent did not cite a single source, and 58 percent did not include an interview with a Hispanic. (National Association of Hispanic Journalists, “Network Brownout Report: The Portrayal of Hispanics & Hispanic Issues in Network Television News, 2003,” December 2004)

Accessing the emerging Hispanic media. Hispanic media outlets have emerged as a major media source in the United States. Among Hispanic adults, 87 percent regularly watch Spanish-language television, radio, or newspapers. In addition to popular television networks such as Univision and Telemundo, there are 678 Spanish-language radio stations and roughly 35 Spanish-language newspapers in the United States. (Bendixen & Associates and New California Media, “The Ethnic Media in America: The Giant Hidden in Plain Sight,” June 2005; Journalism.org, “The State of the News Media 2004,” accessed September 1, 2005)

Bilingual Hispanics make up an estimated 59 percent of the Hispanic market; as a result, more and more Latinos are accessing English-language Hispanic media as well. This sector includes English-language Hispanic television channels like VOY Network and SiTV (launched to attract 18- to 49-year old Hispanics and 18- to 34-year old Hispanics, respectively), roughly a dozen radio stations, and more than a dozen magazines, including *Loft*, *Bello*, and *Urban Latino*. (*Hispanic Business*, “English Enters into Media for Hispanics,” August 8, 2005, “Hispanic Media Turning to English,” August 5, 2005; “Not Lost in Translation,” February 18, 2004)

Political Empowerment: Increasing Hispanic Representation and Participation in the Political Process

Promoting Hispanic political representation. Even though Hispanics make up 14 percent of the population, they represent only six percent of the United States House of Representatives and two percent of the United States Senate. There are currently 28 Hispanic Members of the 109th Congress: 26 Hispanic Members of the House of Representatives and 2 Hispanic Senators. (CRS, “Membership of the 109th Congress: A Profile,” May 31, 2005) Democrats are working to increase Hispanic representation in Congress and state and local offices through civic education, coalition building, and mentoring programs.

Increasing the participation of eligible Hispanic voters. Despite the fact that Hispanics made up one-half of the population growth in the United States between 2000 and 2004, they represented only one-tenth of the total increase in votes cast. According to the Census Bureau, 7.6 million Hispanics voted in 2004, compared with 5.9 million in 2000. Of the Hispanics who were eligible to vote in 2004, however, only 58 percent were registered. According to Roberto Suro of the Pew Hispanic Center, “If Hispanics had registered and voted at the same rate as whites of the same age, they would have cast an additional 2.7 million ballots, increasing their tally of 7.6 million votes by 36 percent.” Democrats support improving access to the voting booth by removing barriers that discourage or prevent Hispanic Americans from voting. (Census, “US Voter Turnout Up in 2004,” Census Bureau Reports, May 26, 2005; Pew Hispanic Center, “Hispanics and the 2004 Election: Population, Electorate and Voters,” June 27, 2005)

Increasing political participation of foreign-born Hispanics. Roughly one-third of the Hispanic population in the United States does not have legal status (and thus cannot vote or run for public office), and millions of Latino legal residents cannot vote because they have not applied for U.S. citizenship even though they are eligible. These individuals have lived in the U.S. as legal permanent residents for at least five years and could register to vote if they became naturalized citizens. Some barriers that these legal residents face include increasing naturalization costs, processing backlogs, and the language barrier.

Congressional Democrats are pressing Republicans to support the reauthorizations of the *Voting Rights Act*, which is due to expire at the end of this year, and to include a provision to require election officials to provide translating assistance and voting materials in the native language of non-English speaking voters. (National Association of Latino Elected and Appointed Officials Educational Fund (NALEO), "Four Million Latino Legal Permanent Residents Eligible for U.S. Citizenship as Exorbitant Fee Hike Takes Effect," April 30, 2004; *Washington Post*, "Hispanic Power?," June 26, 2005; CNN, "Congressman urges Voting Rights Act renewal," August 6, 2005; S. RES. 232, July 29, 2005)

Encouraging political participation by Hispanic youth. Young people under the age of 18 made up roughly one-third of Hispanic population growth in the United States from 2000-2004. This dramatic increase in the Hispanic youth population has the potential to greatly affect voting patterns in future elections. Democrats are encouraging young Hispanics to vote by, among other efforts, promoting an agenda that addresses their concerns: better public schools, increased access to college, higher-quality jobs, and more affordable health care. (*Washington Post*, "Hispanic Power?," June 26, 2005; CNN, "Congressman urges Voting Rights Act renewal," August 6, 2005)

Military And Veterans: The Lack of Hispanic Officers and Barriers to Accessing Health Care

Increasing the number of Hispanic officers in the Armed Forces. As of 2003, there were more than 1.1 million Hispanic veterans and 53,000 Hispanics on active duty in the military; forty-two Hispanics have been awarded the Congressional Medal of Honor, which is more than any other ethnic group in proportion to the number who have served. Yet less than five percent of active duty officers are of Hispanic descent. Democrats are committed to increasing the number of Hispanic officers by encouraging qualified, well-educated Hispanics to join the military. (Census Bureau, 2003 American Community Survey Summary Tables; *The Medal of Honor*, "Congressional Medal of Honor — Hispanic Military Heroes 42 Hispanic Medal of Honor Recipients," accessed September 1, 2005; Census Bureau, 2003 American Community Survey Summary Tables; Pew Hispanic Center, "Hispanics in the Military," March 2003)

Removing barriers to veterans healthcare. The number of veterans treated by Veterans Affairs (VA) health care facilities has nearly doubled over the past ten years; the VA projects that the number of veterans enrolled as VA patients will increase to over 8 million in Fiscal Year 2006. Funding for VA health care services, however, continues to be inadequate; even the Bush Administration has been forced to acknowledge that its annual VA budget had a shortfall of over \$1.25 billion. As a result, the Administration had to ask Congress for emergency funding to make up the difference.

Veterans also need unrestricted access to mental health care services. Roughly 1 in 6 service members who have served in Operation Iraqi Freedom have been found to be at risk for developing Post-Traumatic Stress Disorder (PTSD), and the Army Surgeon General recently estimated that as many as 30 percent of veterans returning from combat in Iraq may develop some type of stress-related mental disorder. The Government Accountability Office (GAO) has found however, that the VA has neither taken recommended actions to meet the needs of current PTSD

cases, nor prepared for the increased number of PTSD cases that are in the near future. (*New England Journal of Medicine*, “Combat Duty in Iraq and Afghanistan, Mental Health Problems, and Barriers to Care,” July 2004; USA Today, July 29, 2005; GAO, “VA Should Expedite the Implementation of Recommendations Needed to Improve Post-Traumatic Stress Disorder Services,” February 2005)

In addition to meeting VA funding needs, culturally competent and Spanish-speaking staff are needed to serve Hispanic veterans. While ethnic background alone cannot offer an accurate count for all those who may qualify as culturally competent or proficient in Spanish, Hispanics make up only 4.9 percent of all health care practitioners, 6.2 percent of all occupational therapists, and 9.2 percent of all social workers. (Department of Veteran Affairs, National Center for PTSD; Census Bureau, Statistical Abstract of the United States: 2004–2005, “Labor Force, Employment, and Earnings,” July 28, 2005)

Even though National Guard and Reserve personnel make up nearly one-half of the personnel serving in military operations and homeland defense, their eligibility for health care services remains tenuous. This year, Senate Democrats re-introduced legislation that would provide full access to military health care services to reservists and their families, regardless of their duty status. Last year, even though the legislation received overwhelming bipartisan Senate support, House Republicans and President Bush opposed it before allowing a watered-down “compromise” to pass. (*American Prospect*, “Some Gratitude,” September 28, 2004)

Democrats are committed to addressing health care needs for current military personnel, new veterans returning home from service, and aging veterans who have served our nation. We must adequately fund VA health care services, equip VA facilities with culturally competent staff, and provide reservists with full access to VA health care services.